MARSH INSIGHTS: CASUALTY

THE US CASUALTY MARKET IN 2013: TOP 10 MARKETPLACE DRIVERS

By Jonathan Zaffino, US Casualty Practice Leader

Each year, Marsh's US Casualty Practice compiles its list of the top 10 marketplace drivers most likely to affect casualty clients in the coming year. In this edition, we are pleased to recap our views for 2013, and, as always, we welcome your thoughts and feedback on the issues most affecting your casualty program.

DÉJÀ-VU — THE TREND CONTINUES: MARKET WILL EVIDENCE TRENDS SIMILAR TO THOSE OF 2012.

Overall, our casualty experts expect that market conditions will evidence trends similar to those of 2012 due to the continuation of macro trend factors of increases in loss trends. Overall, the market will remain "tentative," as insurers continue to navigate an unprecedented low interest rate environment. The prolonged benign interest rate environment creates further pressure on rates and long-tail lines of business. The fundamental marketplace and line-of-business dynamics that impacted 2012 will carry over into 2013. Clients with more difficult exposures or adverse loss experience may face more significant rate increases. While rates continue to trend upward in the low- to mid-single digit range (barring adverse loss experience and any further catastrophic events), workers' compensation and umbrella liability will see the most scrutiny and dominate discussions.

WHO BLINKS FIRST? FIRST YEAR OF RATE-ON-RATE INCREASE — WILL THIS HOLD ACROSS ALL LINES? WILL MORE CLIENTS SEEK ALTERNATIVES?

Following the overall rate increases in 2012, 2013 will mark a second straight year of rising prices. The bulk of the re-underwriting trend is complete, and new entrants in the market have begun to establish themselves and build their platforms. With ample capacity and the introduction of competition, insurers will be tempted to deviate from stated pricing objectives to achieve top line results — particularly for new business. This is in addition to increases from 2012 and may motivate insurers to "sharpen their pencils" for the risks that meet their appetite. Entering the second year of rising prices, the take-up rate on alternative program structures may increase, as buyers have had time to plan for the market.

In This Issue

RATES PREDICTED TO REMAIN IN A TIGHT TRADING RANGE IN 2013.

Rates will remain in a tight trading range with some retraction toward the end of 2013. Insurers generally will be seeking moderate rate increases for all lines of business to keep up with loss trends — again very similar to what we experienced in the second half of 2012. However, the market overall lacks conviction, and rate increases will be experienced unevenly based on line of business, program structure, and individual risk characteristics. Guaranteed cost workers' compensation — particularly for mono-line programs and "distressed" business, will likely remain dislocated. As the year progresses, competition among underwriters for new business will create rate pressure. Competition will be vast, diverse, and disciplined. With respect to the underlying exposure base, the trend line sees slight single-digit increases for all major casualty lines, and we expect this to continue.

CASUALTY INSURER COMPETITION EVOLVES AND GROWS: MARKET BREADTH AND DEPTH CONTINUE TO WIDEN, BUT WITH CAUTION.

The number of insurers offering products to the primary and excess casualty market will continue to grow in 2013. Newer entrants and "revived" underwriting platforms continue to assert themselves. Competition is vast and in many cases vibrant. Certain scenarios, such as clients with challenging loss experience or with certain individual risk or line of business characteristics (such as guaranteed cost workers' compensation) can present challenges. However, overall competition remains, and in fact many carriers continue to expand their casualty capacity in various areas. While insurers maintain discipline with their underwriting appetite, general casualty markets will retract and specialty insurers will widen their appetite to fill the gap in various casualty lines — with the exception of workers' compensation. In addition, the diversifying effect (away from property CAT risk) is felt in the casualty market.

PORTFOLIO DECISIONS IMPACT THE UNDERWRITING DYNAMIC: CONTROL AT THE CENTER WILL RULE THE DAY.

As a direct effect of the implementation of more refined underwriting strategies, underwriting authority is limited and more control will be asserted from the center. This leads to more referrals and will require more planning and ample time for the underwriting process. We expect underwriters' portfolio rebalancing to have more impact on primary vs. excess lines — as was the case in 2012.

WORKERS' COMPENSATION MARKET REMAINS CHALLENGED: DESPITE NET WRITTEN PREMIUM INCREASES, CORE FUNDAMENTALS REMAIN UNCHANGED.

Despite increases in net written premiums, published combined ratios of private carriers continued to produce historically poor results. The impact of a benign interest rate environment and diminished prior-year reserve redundancy adds pressure to the workers' compensation line. Medical expenses as a percentage of the total claim continue to rise, especially on claims with comorbidity factors, escalating prescription drug costs, and overuse of narcotic drugs. Further, the workers' compensation market is influenced by legislative changes at the state and federal levels and, to a degree, is also influenced by the uncertainty of these changes. A notable example from this past year is the workers' compensation reform law in California, which is the largest workers' compensation market. Also worth noting is the uncertainty around the potential 2014 extension of the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA), which has caused employee concentrations to become a significant issue, again.

BATTLE OF TECHNICAL AND TRADING MARKET CONTINUES: "TECHNICAL MARKET" WILL CONTINUE TO CHALLENGE THE "TRADING MARKET" IN 2013, BUT CORE TRENDS WILL REMAIN THE SAME. NEW CHALLENGES EMERGE.

The technical market (fundamental loss trends) will continue to challenge the trading market, (market supply) in 2013. Technical factors continue to show challenging results, particularly for workers' compensation. Tort trends are beginning to show adverse development, and frequency of severity continues to trouble insurers. Emerging torts continue to concern insurers, but this is countered against a backdrop of ample, diverse, and significant competition.

"Decreasing loss frequency and an ample reserve position have supported satisfactory results even in the face of falling premium rates in the past decade's soft market. Our analysis indicates, however, that the benign period for liability insurance results may be coming to an end. If current trends continue, the tort environment is expected to worsen for the defense bar, with adverse loss frequency and severity trends likely emerging for insurers."

(Source: Conning – Nov. 2012)

The bottom line: Capacity and competition continue to dampen the impact of the technical trends.

MODEL-DRIVEN RESULTS INCREASINGLY DICTATE APPETITE: THE MARCH OF THE PREDICTIVE MODEL CARRIES ON.

The march of the predictive model carries on, and the use of sophisticated analytical tools will continue to gain traction. Predictive models are becoming a common tool with which primary casualty insurers, notably those with meaningful workers' compensation exposure, define their risk appetite. Primary casualty insurers, especially workers' compensation insurers, use more techniques to isolate drivers of losses and drive a new level of pricing sophistication. This will continue to evolve with the analysis of frequency of severity and clash events causing maximum foreseeable loss scenarios that go beyond those of employee concentration.

UMBRELLA AND EXCESS MARKET DYNAMIC SHIFTS: LIMIT MANAGEMENT AND AVERAGE LIMIT OFFERED WILL BE UNDER CONTINUED PRESSURE.

Some of the fundamental forces contributing to the pressure on lead umbrella include a deteriorating loss picture — particularly frequency of severity — and program structures that have remained static, notably attachment points, for quite some time. In 2012, many insurers sought an increase in attachment points, while overall limit offered decreased. Such changes in structure are especially prevalent for more difficult classes of business, where many are faced with the potential of an increase in premium, an increase in attachment point, and, in many cases, restrictions on capacity at renewal. The trends of limit management and average limit deployed will continue in 2013. With this, additional competitors will emerge — primarily in excess layers. The pressure on attachment points will lead to the introduction of a vibrant "buffer market."

DEGREE OF DIFFICULTY RISES AGAIN: SCRUTINY OF EACH RISK INCREASES, MARKETING EFFORTS INTENSIFY.

The key strategy to combat the current market is to start early and allow ample time to communicate often with your key trading partners and meet with your incumbent carriers to understand any changes they are proposing for renewal in terms of rate, program structure, attachment, limit, or key terms and conditions. As a result of rate pressure and market appetite, exploration of alternative primary structures, as well as the structuring of nontraditional excess liability towers, continues with the use of buffers, shorter limit leads, and captives — so ample time is also required to evaluate options.

Insurers will allocate their resources to the best risks, those with comprehensive data, in some cases requiring more data than in the past. Loss experience will be scrutinized at increasing levels. "Target" lines will be more difficult to place, including:

- Guaranteed cost workers' compensation.
- Excess workers' compensation.
- Umbrella and excess for particular industries with higher severity loss profiles, including construction, energy, chemical, and life sciences.

As marketing efforts widen, it is key to take a broad view of the market and your options, utilize quantitative tools in your evaluation, and set aside ample time to ensure you are achieving your risk management goals.

To learn more about the casualty marketplace, please read our annual report: http://imr.marsh.com/Reports/UnitedStates/ID/28419/Casualty.aspx.

EMPLOYEE CONCENTRATION IMPACTING WORKERS' COMPENSATION RENEWALS

THE PENDING EXPIRATION OF TRIA IS CREATING UNCERTAINTY IN THE WORKERS' COMPENSATION MARKETPLACE.

Workers' compensation continues to be a challenged line, with historically poor results, a benign interest rate environment, and diminished prior year reserve redundancy. Another issue worth noting is the uncertainty around the potential 2014 extension of the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA), which has heightened the focus on aggregation of workers' compensation risk.

EMPLOYEE CONCENTRATION

For years, carriers have monitored workers' compensation exposure aggregations (their cumulative exposures in a geographic area) as a way of assessing the potential impact that an earthquake would have on their book of business. Such analysis has been commonplace in earthquake prone areas, such as California, for many years. However, after the September 11, 2001 terrorist attack, workers' compensation carriers and reinsurers immediately began to focus on employee concentration in large cities which were deemed high risk targets for terrorist events.

Insurance carriers continue to view risks from a concentration perspective — both on an individual accounts basis as well as the aggregate across their portfolio and correlated lines of business. Some carriers will decline a risk outright simply because they are "overlined" in a particular zip code or city. Or, the carrier might impose a surcharge on the premium for the use of their limited capacity for a particularly large workers' compensation risk. Reinsurers similarly set a maximum amount of capacity they can offer in a particular geographic area and for catastrophic loss scenarios. Insurers purchase this capacity as one way to reduce their potential to incur an outsized catastrophic loss and manage their modeled worst case scenario within their financial risk tolerance.

To that end, catastrophic models have been developed. Catastrophic models allow carriers to gauge their potential exposures in a geographic area under a variety of different event scenarios that are either probabilistic or deterministic in nature. During the last 10 years, carriers have made adjustments to their books of business according to the output of these models to limit their potential exposure to terrorist events — sometimes across multiple product lines.

A unique consideration with workers' compensation over other insurance contracts is workers' compensation policies have statutory coverage (in this case being synonymous with unlimited) rather than a stated limit which could cap a carrier's liability for a certain loss. Given the statutory nature of the coverage, it is difficult for carriers to estimate their maximum exposure to workers' compensation.

The issue of employee aggregation affects any employer with a large number of employees in a single location, but is highlighted in industries such as financial institutions, hospitals, defense contractors, higher education, hotels, professional services, and nuclear.

IMPACT OF PENDING TRIPRA EXPIRATION

Because of the significant financial impact of the September 11 terrorist attacks, Congress created the Federal Terrorism Risk Insurance Act (TRIA) to provide a financial backstop to the insurance industry that would cap losses in the event of another large-scale terrorist event. The Act was initially set to expire at the end of 2005, but because of the ongoing risk of terrorism, and the reliance on it by insurance carriers, it has been extended several times. It is now set to expire on December 31, 2014.

When most people think of TRIA/TRIPRA, they think of the property insurance marketplace. Without this backstop in place, many high-profile properties would not be insurable in the commercial marketplace. However, workers' compensation is also deeply impacted, as there are large amounts of people working in highly concentrated areas.

Although the expiration of TRIPRA is almost two years away, the impact of this is already being seen in the marketplace. Employers in certain industries, employers with large employee concentrations, or in certain cities can expect less available capacity with some carriers scaling because of the increased exposure to their balance sheet created by losing some or all of the protections provided under TRIA. This trend has the potential to escalate and broaden as we get closer to the TRIPRA expiration date.

In addition, more employers may face increased rates for their workers' compensation coverage because of the combination of less competition and capacity, as well as an increased potential exposure for the carriers. If a policy is being issued that provides coverage beyond the TRIPRA expiration date, and the future of the legislation is not known, carriers will likely price this under the assumption those protections will be allowed to sunset or may be significantly modified.

WHAT TO EXPECT AT RENEWAL

When faced with a potentially challenging renewal and one that may be impacted by this issue, what can you do? We recommend starting the renewal process early, at least 120 days (or more) prior to the policy or program effective date. We will work with you to develop a communications strategy and presentation tactic around all key risk exposures, including modeling and risk analytics in support of your renewal objectives. For carrier presentations and Q-and-A, insureds must be thoroughly conversant with details of exposures and operations; mergers, acquisitions, and divestitures; loss trends, safety programs, and risk management practices; and future plans, to the extent that they can be shared publicly. We will help you be familiar with respective insurers' cost of capital and pricing strategy — understanding how carriers evaluate your firm's experience and risk profile, and how they initially develop rates and premiums.

High quality data differentiates employers in the eyes of insurance carriers. In today's environment, it is imperative that organizations provide underwriters with complete, accurate, and thorough data and analysis in order to differentiate their risk profile. There has already been a significant increase in questions that carriers are asking at renewal that focus on the risks associated with a potential terrorist event. Employers with a large concentration of workers, especially those in major metropolitan areas, should be prepared to provide the following details to carriers:

- Information on employee marital/dependency status.
- Employee telecommuting/hospitality practices and impact on concentration.
- Physical security of the building including information about guards, surveillance cameras, parking areas, HVAC protections.
- How access to the building is controlled.
- Construction of the building and location of the offices.
- Management polices around workplace violence, weapons, and employment screening.
- Employee security procedures.
- Emergency response/crisis management plan.
- Fire/life safety program.
- Security staff.
- Crisis management procedures.

In addition, carriers may wish to send their loss control engineers for a physical inspection of larger facilities and to interview building/facility management.

THE INCREASING DEMAND FOR BETTER DATA

Because both insurance carriers and reinsurers focus on catastrophic models, it is extremely important that employers provide the highest quality of employee accumulation data, as this will ensure they are favorably differentiated by insurance carriers.

If your company has multiple shifts or operates in a campus setting, make sure you report both the total number of employees and the number working during peak shifts — as well as the actual buildings where the employees are located.

The number of employees working during peak shifts is the actual exposure to a terrorist event, not the total number of employees. Also, some businesses have a large percentage of their workforce in the field or telecommuting, rather than the office where their payroll is assigned. Providing this information to carriers significantly reduces the potential exposures associated with employee concentration. In addition, identifying the actual building where employees work on a campus — rather than a single building — helps overcome pitfalls of the catastrophic model. This also better reflects an employer's exposure to catastrophic losses.

As options about future real estate plans are considered (i.e. in terms of consolidation of employees from multiple locations in a city to a single location, or the impact of closing or consolidating satellite locations and relocating employees in major metropolitan areas), it is wise to review and consider the potential impact on workers' compensation pricing and capacity.

Because of the current political and economic climate in the US, renewal of the TRIPRA by Congress is far from certain. Marsh is continuing to monitor this issue closely, and we are working with employers and insurance industry representatives to raise awareness of the important role that TRIPRA plays in the insurance marketplace.

MAXIMIZING THE VALUE OF YOUR EXCESS CASUALTY TOWER

By Jesse Paulson, Senior Vice President, Marsh Excess Casualty

MARSH EXCESS CASUALTY

Marsh's Excess Casualty group provides industry- leading technical expertise, market presence, cutting- edge analytics, and deep claims capabilities dedicated to handling the most complex umbrella and excess casualty accounts.

- #1 broker for top 6 US lead umbrella carriers.
- #1 broker for all carriers in Bermuda and Dublin.
- 40 dedicated colleagues in US – average 25 years experience.
- 46 dedicated colleagues at Bowring Marsh in Bermuda, Dublin, London, and Zurich.
- US$1.4 billion in premium placed annually.
- More than 50,000 annual transactions.
- Notification of 17,000+ claims handled annually by claims consultants.

The complex landscape in which today's businesses exist makes it exceedingly difficult to predict how day-to-day operations can expose corporations to catastrophic liability losses. The recent tragic events in Boston and the town of West (TX), emphasize the degree to which these unpredictable events can have devastating effects, even for businesses that believe they are sufficiently covered. That is why it is more important than ever to secure adequate levels of comprehensive excess casualty coverage.

The following pages will focus on two relevant hot topics in the world of excess casualty and how Marsh is tackling the issues in new and exciting ways:

- Excess Casualty Limit Adequacy: How Much Is Enough?
- Debunking the "Follow Form" Excess Policy.

PART I: EXCESS CASUALTY LIMIT ADEQUACY: HOW MUCH IS ENOUGH?

While risk managers are increasingly relying upon sophisticated analytics to guide decisions aimed at reducing their casualty cost of risk (CCOR), choices around excess casualty limit adequacy have historically been driven more by art than by science. Considering the crucial role that excess casualty plays in protecting a balance sheet from the unthinkable, risk managers and CFOs should be provided with meaningful decision-support tools that go beyond simple benchmarking and provide actionable data to assist in answering this difficult question.

INFLATIONARY IMPACT ON EXCESS CASUALTY LIMITS

Average tort trends have continued to increase at an alarming rate over the past 10 years.

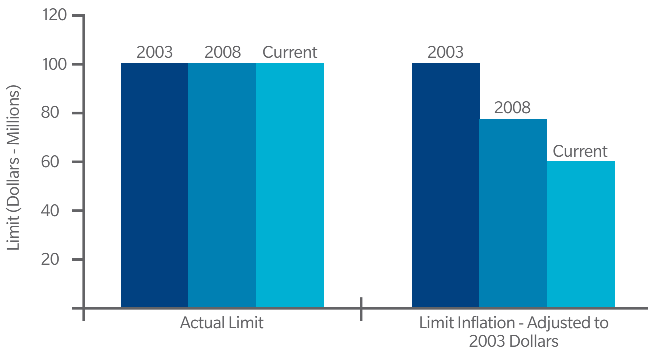
The number of closed claims paid by excess casualty insurers — in excess of US$10 million —has increased 500% over this period, from only nine in 2003 to 50 in 2011. Furthermore, the industry's top 10 jury verdicts increased for the sixth consecutive year in 2011, with the average rising to US$184 million.[1]

Despite this escalating frequency of severity losses, most companies have kept their excess limit purchase relatively stagnant during this period.

One way to look at this issue, as it relates to excess casualty limit adequacy, is to examine the "value" over time of an excess casualty tower taking this inflationary impact into account.

The graph to the right illustrates the effect of loss trends on a limit purchase over time. Based on a 5% trend, a US$100 million excess casualty tower in 2003 would conservatively equate to only US$61 million in 2013.

Inflationary Impact on Excess Casualty Limits



	Actual Limit	Limit Inflation - Adjusted to 2003 Dollars
2003	100	100
2008	100	78
Current	100	61

Taking this into consideration, it is crucial that companies reevaluate their excess casualty limit purchase to ensure that their organization is adequately protected in today's world.

BENCHMARKING: OPPORTUNITIES FOR IMPROVEMENT

Historically, questions regarding limit adequacy have been answered via the use of peer benchmarking. This approach typically provides risk managers with a broad industry-based comparison of average limits purchased as well as general cost information. While these comparisons are indeed an important aspect of validating an insurance purchasing decision, benchmarking alone is not able to provide the informative and actionable data that companies are increasingly relying upon to manage an overall risk portfolio.

In a world where complex global corporations can manufacture products and provide services that span various industry groups, it has become increasingly difficult to pinpoint what is defined as a true "peer company." Furthermore, even when a valid industry peer grouping is available, how do you know that other companies are making good risk-financing decisions or what historical information might be influencing their limit purchase?

For example, one would expect a company that has sustained a catastrophic liability loss to genuinely value the earnings protection provided by an appropriate excess casualty limit purchase. On the other hand, it can be difficult for some companies that have a "clean" loss history to rationalize the need for purchasing higher limits.

It would seem that industry-based peer comparisons often fail to account for these important exposure-based factors, such as risk profile or loss history, and almost never include analysis of a company's balance sheet and ability to retain large losses that breach the top of an excess casualty program.

Excess Casualty Analytics: The Future of Benchmarking

More than ever, it is crucial that risk managers be provided with improved decision-support tools that will allow for better purchasing decisions relating to excess casualty limits.

Using traditional benchmarking information drawn from a large excess casualty client portfolio and comparing it in conjunction with industry-sector and client-specific financial, exposure, and loss-based metrics is the way to accomplish this goal.

Furthermore, risk managers should be provided with specific and relevant examples of industry jury verdicts in order to supply context for potential case outcomes that could be brought against the company.

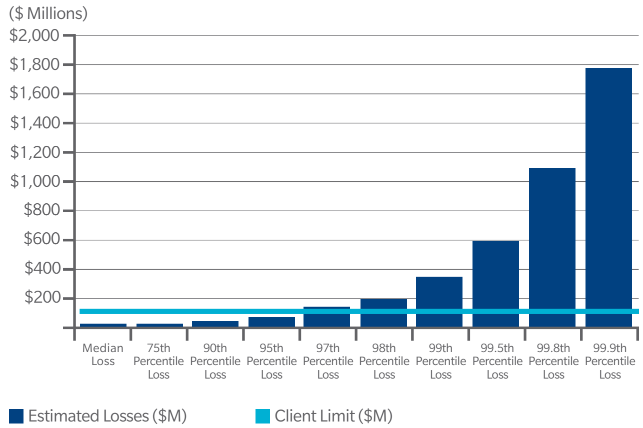
Through the increased use of client-specific and industry-sector exposure information, as well as loss simulations, risk managers

[1] 2012 AIG Excess Casualty Producer Conference presentation, Current Award Trends in Personal injury – "Jury Verdict Research and Lawyers USA"

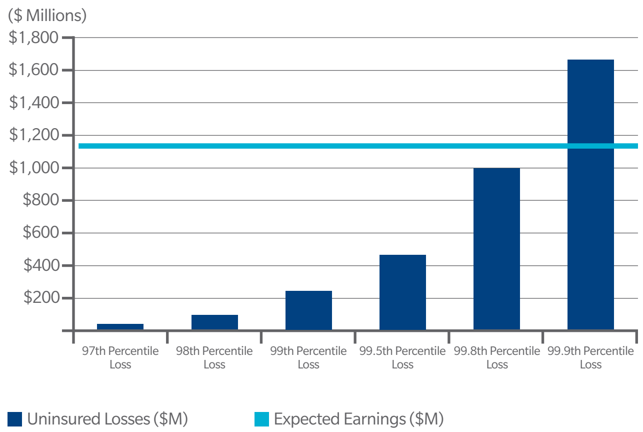
would be provided with impactful comparison data, including answers to questions such as:

- How often should I expect losses to exceed my limits purchased based on my loss history? How does this compare with industry losses and limits purchased?
- If losses exceed my limits, what can I expect the uninsured portion of the loss to be?
- What is the potential impact on earnings if I sustain a catastrophic loss?

Excess Casualty Client Total Limits vs. Industry Gross Loss Distribution



Excess Casualty Client Estimated Uninsured Loss vs. Client Expected Earnings



The chart on the top (Excess Casualty Client Total Limits vs. Industry Gross Loss Distribution) shows a company that currently purchases US$125 million in excess casualty limits. Taking industry loss simulations into account, the company's total limits are expected to be sufficient up to around the 97th percentile of possible outcomes (or the 1 in 33 year liability event before uninsured losses would impact the client's bottom line). The 1 in 200 year event (99.5th percentile), however, would result in uninsured losses of well over US$400 million.

The chart on the bottom (Excess Casualty Client Estimated Uninsured Loss vs. Client Expected Earnings) illustrates the impact of potential large losses on annual earnings. If this company has expected annual earnings of slightly under US$1.2 billion, uninsured losses from the 1 in 33 year event would have a 3% impact on annual earnings; whereas, uninsured losses sustained in the 1 in 200 year event would represent 43% of earnings.

Using this increasingly accurate view of potential loss events to set the foundation, this analysis will allow risk managers and CFOs to make educated purchasing decisions based on the potential impact of large claims and how best to manage this exposure through a well-constructed excess casualty tower.

PART II – DEBUNKING THE "FOLLOW FORM" EXCESS POLICY

Believe it or not, while the term "follow form" is often displayed at the top of many excess liability policy forms (that is, layers above the lead umbrella), insurance carriers that provide this coverage have historically insisted upon using their own policy form and, with it, a whole host of coverage variations throughout a tower.

These layer-to-layer inconsistencies or "nonconcurrencies" can unfortunately lead to claims being denied or payments being delayed when corporations need balance sheet protection the most; in the case of a catastrophic liability claim.

It is crucial that risk managers be aware of these potential issues and realize the importance of an in-depth layer-by-layer review in order to identify and eliminate these inconsistencies where possible.

Several problem areas to be aware of include the following:

No broader than underlying clause: Many carriers' excess casualty forms contain a "no broader than underlying" clause, meaning that any coverage restrictions below them in the tower are automatically incorporated into their policy.

Duty to defend wording: Duty to defend language can vary significantly from carrier to carrier, which can result in the insured being responsible for costly defense payments.

Independent exclusions: Many excess casualty forms include their own exclusions, either within the policy form or attached separately. These exclusions restrict coverage regardless of what is provided in underlying policies. One particular area of concern is the broadened named peril/time element pollution language that may be provided in the lead umbrella policy.

Other insurance wording: Various carrier forms include troubling "other insurance" wording that includes broad terms, such as "indemnifications" or "other mechanisms," used by a company to fund legal liabilities.

Negotiated partial settlement problems: Various carrier forms recognize the exhaustion of underlying limits only through payments made by insurers. In cases where insureds negotiate a partial settlement agreement with the underlying carrier, an excess insurer could dispute whether their policy has been triggered.

With proper attention paid to addressing these items, your excess casualty tower will take a big step in the direction making "follow form" a reality.

THE MARSH XSELLENCE SOLUTION

Marsh's US Casualty Practice and Bowring Marsh are helping to improve clarity and provide greater contract certainty in providing the new Marsh XSellence policy, a proprietary enhanced excess liability form, developed with and supported by leading insurers from around the world.

Using Marsh's longstanding and deep claims advocacy experience and global presence, we designed Marsh XSellence with the intent to mitigate ambiguities in excess follow form policies by eliminating conflicting terms and conditions. Marsh's XSellence form extends beyond carrier-drafted "follow form" policies by offering enhancements to address many common inconsistencies found in carrier drafted excess policies that purport to follow underlying coverage forms. This includes providing explicit language as to which policy it follows.

Marsh XSellence is a significant advancement in our industry's quest to achieve consistency of coverage throughout the excess casualty tower.

For more information about Marsh XSellence, please contact your Marsh casualty representative, or Tom Martin at thomas.e.martin@marsh.com.

WHAT'S NEW FOR SPRING: MARSH CASUALTY PRACTICE

Marsh's Casualty Practice's team of experts regularly monitors and analyzes the wide range of issues affecting the casualty marketplace.

Guided by our market-leading analytical capability, we commence focused initiatives to develop new solutions and tools for our clients. A sample of recent activities, along with notable personnel changes, includes the following:

PRACTICE INITIATIVES

- In January, Marsh's annual Insurance Market Report was released. The casualty section of this report is available here: http://imr.marsh.com/Reports/UnitedStates/ID/28419/Casualty.aspx.
- On January 30, **Dean Klisura**, US Risk Practices and Specialties leader, and **Jonathan Zaffino**, US Casualty leader, participated in the webcast "US Insurance Markets and Risk Trends in 2013." A replay and a copy of the presentation are available by clicking on this link: http://usa.marsh.com/NewsInsights/ThoughtLeadership/Articles/ID/27024/Webcast-US-Insurance-Markets-and-Risk-Trends-in-2013-Replay.aspx.
- On February 27, **Bob Garcia**, **Chris D'Esmond**, and **Jackie Perchik** conducted a webcast for clients and prospects — "Risk Management 101: Basics of Casualty Insurance." A replay is available at: http://usa.marsh.com/NewsInsights/ThoughtLeadership/Articles/ID/28471/Webcast-Risk-Management-101Casualty-Property-and-Financial-Professional-Risk-Replay.aspx.
  - A follow-up session, "Risk Management 201: Casualty Claims Management," will be held on Wednesday, May 1, from 2 to 3 p.m. EST. Click here to register: http://www.seeuthere.com/rsvp/invitation/invitation.asp?id=/m1312d2e-4HIQ7U8LM73XA.
- On April 9, the Casualty Practice hosted a webcast to review the changes to the ISO general liability form that went into effect on April 1, 2013. A replay is available here: http://usa.marsh.com/NewsInsights/ThoughtLeadership/Articles/ID/30023/Webcast-ISO-General-Liability-Form-Changes-Replay.aspx.

MARSH IN THE MARKETPLACE

- On February 14, **Wendy Cook**, Central Zone Casualty leader, discussed the casualty section of an insurance market review on a panel in Chicago. The panel also discussed results for the property/casualty insurance industry in 2012, including what it could mean for organizations in 2013, key risk and insurance issues, and strategies to manage risk transfer programs through a shifting market. **Jim Voltz**, East Central Casualty Partnership leader, and **Andrew Broderick**, Pittsburgh Advisory leader, presented a similar agenda in Louisville and Pittsburgh, respectively.
- **Christopher Flatt**, Workers' Compensation Center of Excellence leader, was featured by www.workcompwire.com in their Leaders Speak section. He authored two articles: "The Case for Formalized Nurse Case Management" and "Reducing TCOR by Focusing on Medical Cost Outcomes & Claims Admin Specialization" http://www.workcompwire.com/sections/workerscompensation-leaders-blog/
- Advisen hosted the third annual Casualty Insights Conference in New York City on March 19, 2013. **Jonathan Zaffino** was the chairperson for the event, and Marsh US CEO **David Bidmead** delivered the afternoon keynote address. In addition, **Tony Tam**, Excess Casualty leader, and **Michael Bauer** participated on panels.
- **Mark Walls**, Workers' Compensation Market Research leader, authored an article for Risk and Insurance: "TRIA: It's Not Just for Property Insurance" http://www.riskandinsurance.com/story.jsp?storyId=533353765.
- The US Casualty Practice was very active at RIMS:
  - **Darlene Villoresi** participated in a roundtable discussion at the Marsh Café on the topic "Rethinking Clinical Trials Exposures and Limits of Liability."

MARSH

– **Chris Flatt** and **Mark Walls** led a roundtable discussion at the Marsh Café titled, "Optimizing Your Workers' Compensation Program Through Analytics and an Integrated Risk Management Approach."

– **Mark Walls** was a panelist for three RIMS sessions:

  - Public Entities Industry: The Latest in Risk Management Concerns (RIMS Session IND107).

  - Resolutions for Higher Education Workers' Compensation Issues (RIMS Session IND106).

  - Former Presidents Roundtable: RIMS Leaders of the Past Look Toward the Future (RIMS Session RMG302).

– **Will Eustace** was a panelist for the session "When Is an Occurrence Not an Occurrence" (RIMS Session INS101).

CASUALTY PRACTICE PERSONNEL MOVES

- **Andrew Broderick** has rejoined the US Casualty Practice as Casualty Advisory manager, senior advisory specialist, in Pittsburgh. He has been with Marsh for more than 12 years and was recently promoted to senior vice president.

- **Mark Walls** has joined Marsh as Workers' Compensation Market Research leader within our Workers' Compensation Center of Excellence. In this newly created role, Mr. Walls will be responsible for developing market research, insight, and other content for Marsh colleagues, clients, and prospects on emerging issues, trends, regulatory, and other changes that affect the workers' compensation market. Mark is the founder and manager of the Workers' Compensation Analysis Group on LinkedIn, the largest online discussion community dedicated exclusively to workers' compensation issues, with more than 18,000 members. He is a frequent speaker on workers' compensation issues at national conferences and is a regular contributor on workers' compensation topics to multiple media outlets and trade journals.

- **Bob Garcia** was named Casualty Advisory leader for the North Central Partnership. Bob is based out of Chicago and reports to Wendy Cook, Central Zone Casualty leader.